GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - Extension of support/waivers to APIIC, to make the land cost @ Rs.16.50 Lakhs per Acre for the development of Multi product Industrial Park to an extent of 1341.67 Acs in R.S.No.11 of Mallavalli (V), Bapulapadu (M), Krishna District for establishment of various Industries, GoI Projects and MSME Clusters – Orders - Issued.

INDUSTRIES AND COMMERCE (INFRA) DEPARTMENT

G.O.MS.No. 78 Dated: 19-05-2017

Read the following:

1. From the VC&MD, APIIC Ltd., Vijayawada Lr.No.8842/APIIC/MSME Parks/2016, dt.16.08.2016.
2. From the VC&MD, APIIC Ltd., Vijayawada Lr.No.APIIC/KRS/001, dt.15.02.2017.
3. From the VC&MD, APIIC Ltd., Vijayawada Lr.No.8842/APIIC /AM(P) /IPMallavalli/General/2016, dt.01.03.2017.
4. G.O.Ms.No.106, Revenue (Assgn.I) Dept., 16.03.2017.
5. Note dt.20.03.2017 of the VC&MD, APIIC Ltd., Vijayawada in Govt file No.13023/Infra/A1/2016.

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ORDER:

In the references 1st to 3rd read above, the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada has submitted that Mallavalli Industrial Park is being developed over an extent of 1,399.12 Acs at R.S. No.11 in Mallavalli (V), Bapulapadu (M), Krishna Dist out of which an extent of 57.45 Acs has been earmarked as Mega Food Park & 42.55 Acs earmarked as Food Park, while balance area of 1,299.12 Acs earmarked for multi-product Industrial Park. In this regard, proposal was submitted earlier to Govt for extending necessary support/waivers to APIIC to facilitate the reduction in land price to match the expectations of Industry Associations & entrepreneurs who are looking forward to establish their ventures in the said Park. The available allotment area of Multi-product Industrial Park has been calculated after deducting the area of Internal roads, open spaces & utilities proposed to be allocated to various Industry Associations & entrepreneurs.

2. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., has further stated that the District Collector, Krishna reported that an extent of 1,460.06 Acs of land is available in R.S. No.11 in Mallavalli (V), Bapulapadu (M), Krishna Dist, out of which 1,360.06 Acs is currently under encroachment (Sivai Zamaidars) and 100.00 Acs is vacant on ground. The basic value of the land is Rs.5.00 Lakhs per Acre and accordingly the ex-gratia amount to be paid to the encroachers is calculated as Rs.74.80 Crore whereas, they are demanding the payment @ of Rs.7.50 Lakhs per Ac along with an additional compensation of Rs.50,000/- for every ration card holder (approx. 1,500 Ration Card holders are present in the village) which lead to additional budget requirement of Rs.41.50 Crore. The approximate cost of undeveloped land is Rs.15.00 Lakhs per Acre (considering saleable area = 60% of total extent of 1,406.06 acres) besides the expenditure for development of common infrastructure and basic enabling facilities of Rs.30.00 Lakhs per Acre of saleable land totaling to Rs.45 Lakhs per Acre. Further, various capital expenses are required for development of the Park for fixing land price as per land allotment regulation methodology adopted by APIIC which includes, the cost of land (Govt land & patta land), ex-gratia amounts to be paid to the encroachers, cost of relocation of existing structures, cost of developing external & internal infrastructure, payments towards NALA conversion charges to Rev. Dept, payment of layout approval fee & development charges to APCRDA, administrative expenses and interest during construction on capital expenses & amounts deposited with SDC/LAO. Accordingly the capital expenditure requirements

(P.T.O.)

for developed Industrial Park is around Rs.465 Crores resulting into an allotment price of Rs.40-45 Lakhs/Acre for developed land whereas, the Industry Associations & entrepreneurs are expecting the land allotment at concessional price within a range of 22-25 Lakhs /Acre. As such the following support/waivers are proposed to be extended to APIIC, in order to facilitate the reduction in land price to match the expectations of stakeholders:

(i) Government land of 743.62 Acs is to be provided free of cost;

(ii) Water supply to be provided from existing Nuzivid Water Supply Scheme without levying any capital cost & connection charges;

(iii) NALA conversion charges payable to Revenue Department are to be exempted;

(iv) Layout approval & development charges payable to APCRDA are to be exempted;

(v) Assistance under IIDF is to be provided to meet the capital expenditure of Rs.80 Crores towards development of external infrastructure (viz. external road including the cost of land under approach road, external water supply pipe line from Nuzivid pumping mains to the Industrial Park & external power supply 132/33 /11 kv sub-station)

(vi) Avenue plantation to be taken up under NREGS as part of Environment Management plan

and requested the Government for necessary orders in the matter.

3. In the reference 4th read above, orders were issued allotting the Government vacant land to APIIC on free of cost basis in supersession of the orders issued in the G.O.Ms.No.155, Revenue (Assn. I) Dept., dated 19.04.2016 according to which allotment was on charging Basic Value with an objective of accelerating the industrial growth leading to prosperity of people of the State. However, the Exgratia/compensation payable to the assignees/ encroachers shall be paid by the APIIC as per the Government orders in force from time to time.

4. Government, after careful consideration of the entire issue and in consultation with concerned Departments, hereby **e**xtend the following support/waivers to APIIC, to make the land cost @ Rs.16.50 Lakhs per Acre for the development of Multi product Industrial Park in an extent of 1341.67 Acs in R.S.No.11 of Mallavalli (V), Bapulapadu (M), Krishna District for establishment of various Industries, GoI Projects and MSME Clusters,

(i) The available Government land for an extent of 743.62 Acs R.S.No.11 of Mallavalli (V), Bapulapadu (M), Krishna District is allotted on free of cost to APIIC in terms of G.O. 4th read above.

(ii) Water supply to the Industrial Park from existing Nuzivid Water Supply Scheme exempting the capital cost & connection charges.

(iii) NALA conversion charges payable to the Revenue Department for the land proposed to be acquired for Industrial Park are exempted.

(iv) Layout approval & development charges for the Industrial Park payable to APCRDA are exempted.

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(v) Out of the capital expenditure of Rs.80.00 Crores requires as assistance under IIDF, the allocated and available amount of Rs.68.00 Crores during the financial year 2016-17 under IIDF is earmarked for APIIC towards development of external infrastructure. The Commissioner of Industries A.P., Vijayawada shall submit necessary proposals in this regard to Government immediately in consultation with APIIC for allocation of additional budget under IIDF.

(vi) As consented by the PR&RD Department the avenue plantation in the Multi product Industrial Park at Mallavalli will be taken up by them under NREGS as part of Environment Management plan.

5. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada and the Commissioner of Industries, A.P., Vijayawada shall take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., H.No.12B, 59A-8-12B, Guru Nanak Colony Road, Teacher's Colony, Vijayawada-520008.
The Commissioner of Industries, 1st Floor, Government Regional Printing Press Buildings, Mutyalampadu, Vijayawada – 520 011.

Copy to:
The G.A. (Cabinet) Department, A.P. Secretariat, Velagapudi. (with reference to U.O.No.168/2017, dt.28.04.2017.)
The Revenue (Assgn.I) Department, A.P. Secretariat, Velagapudi.
The Municipal Administration & Urban Development Department, A.P. Secretariat, Velagapudi.
The APCRDA, Municipal Administration & Urban Development Department, A.P. Secretariat, Velagapudi.
The Panchayath Raj & Rural Development Department, A.P. Secretariat, Velagapudi.
The Engineer-in-Chief (Public Health), A.P., Tadepalli, Guntur.
The Commissioner, APCRDA, Amaravathi.
The P.S. to Principal Secretary to C.M. (GSP), A.P. Secretariat, Velagapudi.
The P.S.to Secretary to Government & CIP, Ind & Com Department.
The Ind & Com (Prog.I) Department.
SF/SC.

//FORWARDED BY: ORDER//

SECTION OFFICER